



2013 ANNUAL REPORT



KEY RESULTS AND ACHIEVEMENTS 2012-2013

IN THE YEAR 1 JULY 2012 TO 30 JUNE 2013 WE:

-
- Registered a total of 215 new pharmacists (a decrease of 9 from the previous year)
-
- Registered 184 New Zealand graduates in the pharmacist scope of practice and 29 overseas-qualified pharmacists and two Australian BPharm graduates
-
- Issued 3,618 annual practising certificates in the pharmacist scope of practice
-
- Issued 256 annual practising certificates in the intern pharmacist scope of practice
-
- Facilitated six separate examination sessions for overseas-qualified pharmacists
-
- Audited 100 pharmacists for recertification requirements
-
- Published statements on Social Media Guidance, Workplace Pressures in Pharmacy, and a Revision Statement on Pharmacist Vaccinators
-
- Implemented the Pharmacist Prescriber Scope of Practice
-
- Made eight submissions on a range of health policies and medicine issues
-
- Published four newsletters giving advice and updates to the profession
-
- Approved providers for a new recertification programme
-
- Consulted on new assessments for intern pharmacists
-
- Approved the accreditation standards for Australian and New Zealand BPharm programmes
-
- Updated and signed a Memorandum of Co-operation with the Australian Pharmacy Council
-
- Received 35 complaints about pharmacists from various sources
-
- Received five notifications about the competence of pharmacists
-
- Conducted three competence reviews
-
- Contributed to an indicative business case for merging of regulatory authorities in response to the Health Workforce New Zealand proposal for a shared health authority secretariat. This was a collaborative project with other regulatory authorities
-
- Reviewed the 2010-2015 Strategic Plan
-

Worked to keep the public safe:

- Three pharmacists were found guilty of professional misconduct by the Health Practitioners Disciplinary Tribunal
 - Ten Professional Conduct Committee cases were managed
 - Two pharmacists were required to undertake a competence programme
-

At the 30 June the Register showed:

- A total of 3,351 practising pharmacists (an increase of 47 or 1.4% on 2012)
 - 75% of pharmacists work in the community, 13% work in hospitals with the remainder working in a variety of settings
-



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The Pharmacy Council is pleased to submit this report for the year ended 30 June 2013 to the Minister of Health. This report is presented in accordance with section 134 of the Health Practitioners Competence Assurance Act 2003 (HPCAA).

VISION

Safe, effective pharmacy practice.

MISSION

To protect the health, safety, and wellbeing of the public by ensuring pharmacists are competent and fit to practise.

PRINCIPLES

-
- Consistent, fair, reasonable and transparent processes

 - Assisting pharmacists to perform to the highest standards

 - Accountable to the public and the profession

 - Effective, best practice governance

 - Proportionate regulation

VALUES

Accountable, collaborative, consistent, effective, fair, high quality, trusted, impartial, independent, integrity, natural justice, proactive, future focussed, proportional, respectful, robust, transparent. Public, whanau, patient centred.

DUTIES AND FUNCTIONS OF THE PHARMACY COUNCIL

The Pharmacy Council has a duty to strive to ensure the highest standards of excellence in the practice of pharmacy are met and to ensure that proper standards of integrity, conduct, and concern for the public good are maintained.

The functions of the Pharmacy Council under section 118 of the HPCAA are:

- a) to prescribe the qualifications required for scopes of practice within the profession, and, for that purpose, to accredit and monitor educational institutions and degrees, courses of studies, or programmes;
- b) to authorise the registration of health practitioners under the Act and to maintain registers;
- c) to consider applications for annual practising certificates;
- d) to review and promote the competence of health practitioners;
- e) to recognise, accredit and set programmes to ensure the ongoing competence of health practitioners;
- f) to receive and act on information from health practitioners, employers, and the Health and Disability Commissioner about the competence of health practitioners;
- g) to notify employers, the Accident Compensation Corporation, the Director-General of Health, and the Health and Disability Commissioner that the practice of a health practitioner may pose a risk of harm to the public;
- h) to consider the cases of health practitioners who may be unable to perform the functions required for the practice of the profession;
- i) to set standards of clinical competence, cultural competence, and ethical conduct to be observed by health practitioners of the profession;
- j) to liaise with other authorities appointed under the Act about matters of common interest;
- k) to promote education and training in the profession;
- l) to promote public awareness of the responsibilities of the authority;
- m) to exercise and perform any other functions, powers, and duties that are conferred or imposed on it by, or under this Act or any other enactment.

PHARMACY COUNCIL MEMBERS

AT 30 JUNE 2013



Dr Andrew Bary PhD, BPharm (Hons), FNZCP, MPS, RegPharmNZ (Chair) is a pharmacist based in Queenstown. Andrew has experience in community pharmacy, as a pharmacy proprietor and in pharmacy research and education.

Third term appointed 8 November 2012



Mark Bedford DipPharm, RegPharmNZ, AFNZIM, Community Pharmacist Mt Maunganui, (Deputy Chair) is co-owner of a busy 7- day Medical Centre Pharmacy. Mark is the previous Chair of Consumer NZ Inc and previous Chair of Waipuna Hospice.

Second term appointed 8 November 2012



Keith Crump MPharm, PG Dip Pop Health, RegPharmNZ is a pharmacist based in Auckland with experience in hospital, teaching and primary care roles. Keith currently divides his time between working in pharmacy related roles for ProCare Health Limited, teaching undergraduate BPharm students and post grad students, and clinical work as a mental health pharmacist for the Waitemata DHB.

Third term appointed 11 April 2013



Dr Te Kani Kingi BSocSci (Hons), MSocSc Waik, PGDipMDev, PhD, DipTM is Director of Te Mata o te Tau, The Academy for Māori Research and Scholarship at Massey University in Wellington. He has a specialist interest in mental health research, psychometrics, and Māori health. He has formally been an executive member of the New Zealand Public Health Association, The Mental Health Advocacy Coalition, and the National Ethics Advisory Committee. He currently sits on the National Health Committee, the Public Health Advisory Committee, Statistics New Zealand's Māori Advisory Group, and is Chair of the Mental Health Commission's Advisory Board.

Second term appointed 11 April 2013



Leanne Te Karu DipPharm (Distinction), PG Cert Pharm (Herbal Meds), PG Dip ClinPharm (Distinction), MHSC (Hons), RegPharmNZ (Muaūpoko/Whanganui) is a contract clinical pharmacist based in Taupo who has experience in both community and hospital pharmacy. Leanne is the Immediate Past President of Ngā Kaitiaki o Te Puna Rongoā o Aotearoa (the Māori Pharmacists Association).

First term appointed 25 August 2011



Marie Bennett Dip Pharm Distinct, MNZCP, MPS, RegPharmNZ is a community pharmacist owner of a busy West Auckland pharmacy. She has current advisory group roles with Waitemata DHB and is a Pharmacy Guild North councillor. Her special interest is in working with new pharmacy based, patient centred models of care.

First term appointed 8 November 2012



Viv Gurrey is currently the Chief Executive Officer of the largest parenting network and provider of support services for parents in New Zealand. She has extensive national and international experience in strategic business consulting, is a member of the Institute of Directors, holds positions in the non government (NGO) sector specifically relating to parenting, the community and families and sits on several Boards.

First term appointed 8 November 2012



Dr Jeff Harrison BSc Hons (Pharmacy) PG Dip Clin Pharm PhD (Surgery) PG Cert (Clin Ed) is a Senior Lecturer in Clinical Pharmacy at the School of Pharmacy at the University of Auckland teaching in both undergraduate and post grad programmes as well as supervising PhD research. His research interests are in clinical and pharmacoepidemiology with a focus on improving the safe, effective and cost-effective use of medicines – particularly in relation to cardiovascular disease and diabetes. Dr Harrison also has extensive experience as a hospital pharmacist prior to taking up his role in academia.

First term appointed 8 November 2012



Professor John Shaw BSc, Dip ClinPharm, PhD, FNZCP, FRPharmS, FPS, RegPharmNZ is Head of the School of Pharmacy at the University of Auckland. John is actively involved in current pharmacy practice and brings an academic perspective to the Pharmacy Council.

Third term appointed 1 October 2009 – term expired 8 November 2012



Jo Mickleson BPharm, Diploma in Management, RegPharmNZ (Deputy Chair until 1 March 2011) is a pharmacist from Nelson with wide experience in both community and hospital pharmacy. Jo is currently a member of the Nelson Bays Primary Health Board. She has held roles as a clinical pharmacist as well as positions in the areas of policy and management.

Second term appointed 1 October 2009 – term expired 8 November 2012



Robynne Nicoll is a lay member based in Ashburton with long standing administration and governance experience in the Mid-Canterbury community Robynne brings a sound common-sense approach to the Pharmacy Council.

First term appointed 01 October 2009 – term expired 8 November 2012

CORPORATE GOVERNANCE

The role of the Council members is to ensure they meet the requirements of the HPCA Act. To ensure these goals are met, Council members set the organisation's strategic direction and monitor the performance of management. The Minister of Health appoints Council members, and the Council is accountable to the Minister, the profession and the public in the performance of its functions.

COUNCIL MEETINGS

Dates for Council meetings are set in advance and are confirmed at the end of a calendar year for the following 12 months. In the period 1 July 2012 to 30 June 2013 the Council met five times for full Council meetings. Three additional special meetings were held via audio conference.

CHAIRPERSON'S REPORT



I am pleased to present the 2013 Annual Report which contains an overview of what has been achieved in the twelve months since July 2012. Key areas of activity for Council this year include:

- The gazetting of the pharmacist prescriber scope of practice. Development of this has been a significant project for more than four years and has seen considerable input from the profession, stakeholders and, of course, a skilled project team. The public will benefit from the new services that pharmacist prescribers will provide with the assurance that there are robust qualifications and standards in place to ensure quality and safety.
- Approval of a new summative assessment as part of the requirements for entry onto the Register of Pharmacists. Council sought an independent external review of its current assessment methodology to ensure the examinations it prescribes continue to be valid and fit for purpose. We have consulted widely and are now carefully considering all recommendations as we work towards implementation.
- Review of Council's recertification framework and development of a new, more efficient model that recognises different learning opportunities and styles. This was partly in response to important feedback from the profession. Council has sought, and will consider, expressions of interest from any organisation that wishes to provide a recertification programme under the new framework.
- Continuing to build on strong relationships with stakeholders. Council recognises that strong partnerships are critical to effective regulation. It meets regularly with key pharmacy organisations in both New Zealand and Australia. This year, Council signed a Memorandum of Understanding with the Australian Pharmacy Council, Australasia's Pharmacy Examination and Accreditation body that formalises the important relationship between the organisations.
- Continuing to focus on quality governance. We carried out a governance effectiveness review in July and, as part of our review of the Strategic Plan, Council has strengthened its quality governance goals.
- The return of a small surplus for the first time since 2009. Through prudent fiscal management, Council has achieved a significant positive result against budget. Consequently, I am pleased to report that Annual Practising Certificate fees will remain unchanged for 2014.

Consolidating the Responsible Authorities

Council has remained proactive in ongoing discussions and development of a proposal for a shared services organisation consolidating the sixteen Responsible Authorities (RAs). This has required considerable resource and effort in addition to Council's business as usual. Council supports the case for change set out in the final proposal presented to the RAs in April this year. It believes that, under the proposed model, there is potential to improve administration of health regulation and to better protect public safety without compromising its' ability to fulfil its' obligations under the Health Practitioners Competence Assurance Act 2003 (HPCAA). Council is mindful that the projected benefits of the proposal assume participation of all RAs. The Pharmacy Council, like all RAs, has a duty to examine the suitability of the proposal with respect to its responsibilities under the HPCAA. Continued commitment from all RAs to identify and work to address any concerns they have with the proposal is highly desirable.

Farewells and welcomes

This year, Council farewelled long-standing Chief Executive and Registrar Bronwyn Clark. Bronwyn has made a tremendous contribution to the Pharmacy Council, to health regulation and to the pharmacy profession. I wish to sincerely thank her for her dedication and commitment. Claire Paget-Hay was appointed as Chief Executive and Registrar and has very capably stepped into the role.

Professor John Shaw stood down from Council after three terms. Professor Shaw was a member of the inaugural Council appointed under the HPCAA. Robynne Nicholl and Jo Mickleson also stood down after one and two terms respectively. Council is most grateful for the valuable and considered approach these three members have brought to the decisions and deliberations in which they were involved. I wish them the very best for the future. Dr Jeff Harrison, Marie Bennett and Viv Gurrey were welcomed to Council and Keith Crump and Dr Te Kani Kingi were reappointed for a further term. I was privileged to be re-elected as Chairperson for another 12-month term and Mark Bedford was re-elected Deputy Chairperson.

Once again, I would like to acknowledge the contribution of the many pharmacists around the country who assist and support the work of Council by taking on roles as competence assessors, advisory and investigatory committee members, examiners and practice counsellors. Your input is crucial to the successful functioning of Council.

Finally, I would like to acknowledge the commitment, dedication and professionalism of my fellow Council members, as well as the Chief Executive and Registrar and her team during the past year.



Dr Andrew Bary PhD, BPharm (Hons), FNZCP, MPS, RegPharmNZ
Chair



CHIEF EXECUTIVE AND REGISTRAR'S REPORT



The past year has been one of continuous improvement, new projects, and leading and managing change.

Projects include:

- the development of the new assessment centre for intern pharmacists;
- the implementation of an improved framework for continuing professional development for recertification;
- completing the operational phase for registration in the new pharmacist prescriber scope of practice, and
- commencing a review of the pharmacist scope of practice.

This work demonstrates Council's total commitment to fulfilling our role of protecting the health and safety of members of the public by providing mechanisms to ensure that health practitioners are competent and fit to practise.

The year has also seen significant change as we moved premises, and sadly farewellled the inaugural Chief Executive and Registrar of the Pharmacy Council,

Bronwyn Clark. Bronwyn's legacy of eight years of excellent leadership has stood Council in good stead.

Throughout the year, the Health Regulatory Authorities Steering Group continued work on the proposal for a shared services organisation culminating in their presentation to Responsible Authorities (RA) in April 2013. This important piece of work, initiated by the Minister, signalled to all of us in the organisation the potential for change to the way RAs may carry out their functions in the future.

Best practice for intern pharmacists

In 2012, following extensive research into best practice assessment for high stakes exams, we consulted on a different approach to assessing intern pharmacists. This approach includes a new structure for the Assessment Centre and the introduction of a written exam. Throughout the year we have worked on the process for delivery of the new Assessment Centre. This solid preparation, and agreement with the provider of the Intern Training Programme on the process and key dates, provides a sound platform for implementing new assessments in the next twelve months.

Continuing competence

Ensuring a robust framework for pharmacists to demonstrate continuing competence is an important piece of work for Council and work first began on developing a new recertification structure in 2010. In the past year, Council called for expressions of interest to deliver programmes aligned to the framework and subsequently approved two. One of these has since been withdrawn and the remaining programme is now operational with pharmacists required to meet the new framework provisions in the coming year.

Prescribing rights

Following the successful delivery of the pharmacist prescriber course at Auckland and Otago Universities in 2012, Council drafted and consulted on the list of medicines and met with the Ministry and key stakeholders to ensure legislation to enable this group to have designated prescribing rights was passed and the new scope of practice gazetted. Further work was undertaken to develop the administration requirements, and, with all steps in place, pharmacists who meet the requirements are able to register in the prescriber scope of practice from July 2013.

Reviewing Scope of Practice

Council was pleased to announce the commencement of a comprehensive review of the Pharmacist and Intern scopes of practice and the associated Competence Standards for the Pharmacy Profession that will take place over an eighteen month period. The purpose of the review is to ensure the knowledge, skills and attributes of pharmacists remain relevant for the future in New Zealand's changing health environment. The first stage of the review has been conducted with pharmacist input from Council workshops held around the country. I would personally like to thank pharmacists for taking the time to provide input into the review.

Collaborating with the Australian Pharmacy Council

As part of our stakeholder engagement, we were delighted to have the opportunity to meet with the Australian Pharmacy Council (APC) in May 2013. Our relationship with APC is extremely important, especially with respect to the provision of expert accreditation services for University Programmes and the Intern Training Programme. At this meeting we reviewed the Memorandum of Understanding that was agreed in 2011 and re-confirmed our commitment to collaborate in the areas of accreditation and examinations.

Achieving our business goals

We have worked hard to meet our business plan goals for the year and at the same time achieve a positive financial result against budget. We are very pleased to advise that this result means that we are able to maintain the Annual Practising Certificate fee at the same level for the next year.

Acknowledgements

This is the first Annual Report for Council where I have held the role of Chief Executive and Registrar. Having a strong team around me in this initial period has been extremely important, and I would like to thank the Chair and members of Council for their support. My sincere thanks are also extended to the secretariat team. Their commitment to the work we do is exceptional, as is their willingness to co-operate with, and support, their colleagues through times of change. The demands of the last year of operation have been considerable, and the team are to be congratulated for meeting every challenge.



Claire Paget-Hay
Chief Executive and Registrar



STRATEGIC GOALS AND KEY PROJECTS 2012-2013

STRATEGIC PLAN 2010-2015

The Council's overarching vision is to assure safe, effective, pharmacy practice. This vision is reflected in the 2010-2015 Strategic Plan with six clear goals focussing on the requirements for scopes of practice, standards and competencies for pharmacists, efficient organisation and risk management, and governance. While the strategy sets a clear direction, it is also flexible and enables new goals and initiatives to be developed in response to a rapidly changing health environment.

PHARMACY COUNCIL STRATEGIC PLAN 2010 – 2015



GOAL ONE – FITNESS TO PRACTICE

To optimise mechanisms to ensure that pharmacists are competent and fit to practise.

Implementation of the new continuing professional development framework for recertification

By March 2014 all practising pharmacists are required to be enrolled in an approved recertification programme that meets the requirements of the new framework developed in 2012. This year, organisations that expressed an interest in developing a programme submitted their proposals outlining how they would meet the requirements. We received three applications and two were approved for delivery from 1 February 2013. One applicant subsequently withdrew. Initial approval of the programme was granted until 2016 with an agreement that, as the programme was in the early stages of delivery, further development was required and there would be conditions on the approval. Regular on-going meetings with the provider to discuss and monitor the programme have taken place throughout the year.

Annual audit of continuing professional development records

The recertification audit – to verify that pharmacists are participating and meeting the Council's continuing professional development requirements – was a retrospective review of records under the previous programme. The continuing professional development programme delivered by the Pharmaceutical Society of New Zealand, is based on the framework for recertification programmes set in 2004. Council developed a new framework, so, from 1 April 2013, pharmacists must complete and document professional development activities. If a practising pharmacist is not participating in the continuing professional development programme, Council may place a condition on their scope of practice requiring them to work under the oversight of another pharmacist until they can demonstrate they are participating. Further non-compliance can result in conditions of working in association with another pharmacist until requirements are met. Council can decline to issue an annual practising certificate to pharmacists who persistently fail to comply with recertification requirements.

Results from this audit are detailed on page 23.

Examinations

Overseas qualified pharmacists seeking registration in New Zealand must pass the Competency Assessment for Overseas Pharmacists (CAOP) exam before being eligible to apply. To ensure these exams are validated and fit for purpose, the Professional Standards Advisor moderated four papers throughout the year and also held a workshop to facilitate writing of questions for use in exams. Maintaining a quality question bank is an important part of the exam process – input from New Zealand pharmacists who are currently practising is important to ensure the exams are relevant to the local pharmacy environment.

Further information on exams and assessments is detailed on page 18.

GOAL TWO – PHARMACY PRACTICE STANDARDS

To ensure that clinical, cultural, and ethical standards meet or exceed the expectations of the public, the profession and other stakeholders.

KEY PROJECTS:

Social Media Guidance

Draft guidance for pharmacists and pharmacy students on the professional and personal use of social media was produced by a collaboration of representatives from the Pharmaceutical Society, Pharmacy Council, the EVOLVE intern pharmacist training team, the University of Auckland School of Pharmacy and New Zealand's National School of Pharmacy (Te Kura Mātauraka Wai – whakaora), University of Otago. Intern pharmacists and pharmacy students also contributed to the content which has been reviewed by Greg Duncan, a Senior Research Fellow in the Medicine, Nursing and Health Sciences faculty at Monash University. The booklet is loosely based on the Australian and New Zealand Social media and the medical profession guide and is now published on our website. It is a practical guide for both pharmacists and pharmacy students to on-line professionalism when using social media.

Workplace Pressures in Pharmacy

This was an extensive project undertaken by a team representative of key pharmacy stakeholder organisations and led by the Pharmacy Council. Although there is a range of legislation, guidelines and standards that inform pharmacy workplace practice, there was no single document that brought all the information together for the benefit of pharmacists or employers. The project team determined that the issue to be addressed concerned pharmacists and pharmacy staff who may not necessarily recognise or acknowledge workplace pressure (environmental work stressors) issues. The publication provides practical advice for pharmacists, pharmacy staff and employers which guides them to additional resources for further information.

Other Council statements

Council regularly updates and advises the profession about issues relating to professional practice and public safety. In 2012-2013, the Statement on Pharmacist Vaccinators was published and is now available on our website. This statement outlines best practice principles for pharmacists offering a vaccination service.

GOAL THREE – CAPABILITY AND CAPACITY

To ensure that quality training and new scopes of practice allow the profession to meet the needs of the evolving health environment

KEY PROJECTS:

Implementation of the pharmacist prescriber scope of practice

The pharmacist prescriber role is seen as a natural extension of an experienced clinical pharmacist's role and developing the pharmacist prescriber scope of practice has been an on-going major project.

In July 2012, Council consulted on the list of medicines and controlled drugs to be included in the regulations and a total of twenty-three submissions were received. Feedback showed strong support for the draft list and a number of substances that were identified as having no current human therapeutic use were deleted. Following this consultation both the Cabinet Legislation Committee and Cabinet approved the Pharmacist Prescriber regulations. These regulations enable clinical pharmacists, who have successfully completed the new postgraduate certificate in pharmacist prescribing, to prescribe medicines to patients who are being cared for by a multi-disciplinary and collaborative healthcare team.

In May 2013 the draft Code of Ethics for Pharmacist prescribers was consulted on. This code adds to the principles and obligations of the Code of Ethics 2011, which remain applicable where relevant.

The Pharmacist Prescriber will work with a designated medical practitioner who will act as a mentor and advisor to the team. Diagnosis and wider patient management will remain the responsibility of the medical practitioner. The administrative and database requirements have also been completed and the first pharmacists to register in this scope of practice are expected to register in July 2013.

Review of the pharmacist scope of practice and competence standards

Council commenced a comprehensive review of the Pharmacist and Intern scopes of practice and the associated Competence Standards for the Pharmacy Profession in August 2012. The purpose of the review is to ensure that the knowledge, skills and attributes of pharmacists remain relevant for the future in New Zealand's changing health environment. The last full review of these documents took place in 2003. Council has formed a Reference Group of experienced pharmacists to assist with this review and a scan of pharmacy competence frameworks, internationally as well as those in other New Zealand health professions, was conducted. A first round of Scope of Practice and Competence Standards workshops was held in October and November 2012 with 220 pharmacists attending. Their participation provided us with a rich source of information to help inform the review. This major review will continue into 2014.

Development of new assessments for registration in the pharmacist scope of practice

In 2012, Council consulted on proposed changes to the summative assessment of interns prior to registration. These changes were recommended following considerable research into best practice. They represent a significant change in the registration requirements for pharmacists and it was suggested that they could take place from 2013. However, to allow time for further consultation and development, Council recommended the proposed changes be implemented from 2014.

Accreditation and monitoring of qualifications and programmes

Council has a memorandum of co-operation with the Australian Pharmacy Council for the accreditation of educational institutions. As part of the agreement, Council has a position on the Accreditation Committee and is therefore able to share good practice processes.

Following consultation and review with the profession and stakeholders, Council is pleased to advise that the Accreditation Standards for Australia and New Zealand BPharm programmes were approved this year and will be implemented in 2014. The Standards have had significant New Zealand input to ensure they reflect pharmacy practice in this country and Council is assured that the Accreditation Standards will enhance the accreditation process.

Following the site audit for the EVOLVE Intern Training Programme in 2012, the programme was accredited with conditions. Progress on meeting the conditions will be reported in the 2013-2014 Annual Report.

GOAL FOUR – ACCOUNTABILITY TO PUBLIC AND STAKEHOLDERS

To improve the Council's relationship with the public, the profession and stakeholders, ensuring that the role of the Council is understood

Contribution to sector issues

Council actively contributes to discussions on relevant issues and policy development, and as appropriate, takes part in consultations and submissions. During 2012-13 Council made the following submissions:

- Ministry of Health
 - Review of the Health Practitioners Competence Assurance Act (HPCAA) 2003. In August 2012, the MoH published a discussion document for the Review of the HPCAA 2003. The Council, along with all other Responsible Authorities, submitted a response in October. A summary of the responses was received from the MoH in April 2013.
 - Submission on the Dietitians Board proposal to prescribe selected oral prescription only medicines as Designated Prescribers.
- Medical Council of New Zealand
 - Statement on Doctors prescribing for themselves or those close to them.
 - Good Medical practice booklet.
 - Vocational Recognition for Addiction medicine.
- Osteopathic Council Scopes of Practice.
- Dental Council Code of Practice on Advertising.
- New Zealand Nursing Council Community Nurse Prescribing and Specialist Nurse Prescribing.

Communication with the profession and the public

Council has consistently engaged with both the public and the profession throughout the year. The majority of these interactions are as a result of phone calls or emails to our Professional Standards Advisor and are in response to queries from pharmacists about practice issues or, in the case of the public, to queries about what service they can expect from their pharmacist. This consistent engagement increases understanding of the role of Council in protecting the health, safety, and wellbeing of the public.

GOAL FIVE – ORGANISATIONAL PERFORMANCE

To ensure the effective and efficient management of the organisation

Review of the risk management framework

A key project for organisational performance this year has been revision of the risk management framework. The new framework was developed using a 'bottom up' approach with staff identifying risks associated with their particular areas of work. A 'whole of organisation' approach ensures risks are linked to the Strategic Plan and that mitigations and actions are clearly identified and reported.

Review of policies relating to HPCAA

As part of our continuous improvement process, we have reviewed, amended where appropriate, and approved, the following policies and guidelines:

- Complaints and concerns.
- Retention of complaints, convictions and discipline records, notifications, health and competence records for individual pharmacists.
- Consideration of publication of orders.
- Decision guidelines for Complaints Screening Committee and Professional Conduct Committee use.

GOAL SIX – GOVERNANCE PERFORMANCE

To ensure the effective and efficient governance of the organisation

Interim review of strategic plan

In 2013, the Council conducted an interim review of the Strategic Plan and added the sixth goal “To ensure the effective and efficient governance of the organisation”. This goal reflects the Council’s commitment to review and improve the performance of Council as the governing body.

Proposal for shared services organisation

Council is committed to being proactively involved in managing positive change in the regulatory environment. The Chair of Council participated as a member of the RA Steering Group appointed by Health Workforce New Zealand to develop a Detailed Business Case (DBC) for the proposal that RAs collaborate across all their functions. The Project Team comprising the Responsible Authorities (RA) Steering Group and PricewaterhouseCoopers worked hard to deliver the DBC to RA Chairs on the 15th April 2013.

Council carefully considered the DBC for a shared services organisation for New Zealand’s 16 Health RAs and agreed that:

- They would support the case for change.
- Under the proposed model, there is potential to improve administration of health regulation, to better protect public safety.
- The proposed model would ensure Council’s continued ability to fulfil its obligations under the HPCAA 2003.
- We should proceed to a phase of stakeholder engagement and consultation.

If the proposal is agreed to by all RAs following consultation, it is anticipated that implementation will commence in 2014.





REGISTRATION AND PRACTISING CERTIFICATES

Registration of pharmacists is a core function of the Pharmacy Council. The Council prescribes the standards that pharmacists must meet to register and to obtain annual practising certificates (APC). This includes the prescription of qualifications and the accreditation of programmes and providers. These mechanisms work to protect public safety.

SCOPES OF PRACTICE

Council is responsible for prescribing scopes of practice, which define what a pharmacist may do. There are currently two scopes of practice and all pharmacists must practise in either the intern pharmacist or pharmacist scope. The intern pharmacist is a scope that requires practise under supervision and is a provisional period that leads to registration as a pharmacist. Although the practice of pharmacy goes beyond work with patients and clients to include roles that influence clinical practice and public safety – such as teaching, advising, research, policy development, and management – the two scopes of practice cover:

- Custody, preparation, and dispensing of medicines and pharmaceutical products
- Provision of advice on health and well-being, including health screening
- Selection and provision of non-prescription medicine therapies and therapeutic aids.

A third scope of practice, Pharmacist Prescriber, has been an on-going major development for the Council. Pharmacists who meet the requirements for registration will be able to register from July 2013. More information on the development of this scope is outlined in the Strategic Goals section of this Annual Report on page 13. Council will report on numbers registered as Pharmacist Prescribers in next year's Annual Report.

Intern pharmacist scope of practice

This is a provisional scope of practice that leads to registration as a pharmacist. It provides for a period of practice under supervision for BPharm graduates from New Zealand or Australia, and overseas-qualified pharmacists from countries other than Australia, Canada, Ireland, the UK and the USA, which are recognised as having similar qualifications.

Pharmacist scope of practice

Graduates who have completed the requirements of the Intern Training Programme (ITP) and demonstrated competence may apply for registration in the pharmacist scope of practice. Pharmacists who have been registered in Australia, Canada, Ireland, the UK or the USA, or who were previously registered in New Zealand and wish to be reinstated to the Register, can apply for registration in the pharmacist scope of practice.

Accreditation of Prescribed Qualifications

Council works closely with the Australian Pharmacy Council (APC) and shares best practice principles and arrangements for the accreditation of educational institutions. A memorandum of cooperation assigns accreditation functions of both degree and intern training programmes to the APC in conjunction with the Council.

Bachelor of Pharmacy Degrees

Two four-year New Zealand BPharm degree programmes are accredited by the Pharmacy Council and APC. The University of Otago BPharm degree holds full accreditation until 2014. The University of Auckland BPharm degree was reaccredited in 2011 and holds full accreditation until 2015.

The Intern Training Programme (ITP)

The ITP is a prescribed qualification for the pharmacist scope of practice. It is a supervised, workplace-based training programme completed in the fifth year of training, post-BPharm graduation.

The EVOLVE® ITP is provided by the professional body for pharmacists, the Pharmaceutical Society of New Zealand (Inc). The learning outcomes of the ITP are mapped against the competence standards for the pharmacist scope of practice.

Intern Pharmacists at 30 June	2008	2009	2010	2011	2012	2013
Interns	231	220	205	221	218	223

The ITP programme is set for:

- New Zealand and Australian BPharm graduates.
- Overseas qualified pharmacists from countries other than Australia, Canada, Ireland, the UK and the USA.
- New Zealand qualified and registered pharmacists returning to practise after a period of eight years or more.

The above intern pharmacists and pharmacists also complete Council's summative assessment, the Assessment Centre. The Assessment Centre consists of a 5 station OSCE¹ and an interview

Examination/Assessment 2012-2013	Number assessed	Number passed
Assessment Centre	240	198

Other examinations and assessments

Council prescribes the registration requirements for overseas qualified pharmacists and local pharmacists returning to practise. Examinations and assessment requirements vary depending on where the pharmacy qualifications were attained:

Knowledge Assessment of Pharmaceutical Sciences (KAPS)

Overseas qualified pharmacists from countries other than Australia, Canada, Ireland, the UK and the USA are required to pass this exam before applying to practise in New Zealand as intern pharmacists.

Competency Assessment of Overseas Pharmacists (CAOP)

Overseas qualified pharmacists from Canada, Ireland, the UK and the USA are required to sit this examination before registering as pharmacists.

Law and Ethics Interview Assessment

Overseas qualified pharmacists from countries with qualifications that are recognised as similar to New Zealand's (ie Australia, Canada, Ireland, the UK and the USA) are required to complete this assessment following a period of supervised practise after registration.

Pharmacists returning to practise after three or more years – but less than eight years – are also required to complete this assessment following a period of supervised practise.

Examination/Assessment 2012-2013	Number assessed	Number passed
KAPS	20	10
CAOP	9	9
Law and Ethics Interview Assessment (overseas-recognised, equivalent qualification pharmacists)	18	18
Law and Ethics Interview Assessment (return-to-practise pharmacists)	22	22

REGISTRATION

Registration provides assurance to the public that a pharmacist has attained the standard of qualification prescribed by the Pharmacy Council. The ITP is the prescribed qualification for registration in the pharmacist scope of practice. This workplace based training programme is completed post BPharm graduation. The Public Register shows the full name, qualifications and practising certificate status of all registered pharmacists.

The register is located on the Council website: http://www.pharmacycouncil.org.nz/register_search

Register numbers 2013

The number of practising pharmacists was 3,351 at 30 June 2013; an increase of 47 (1.4%) on 2012.

1 OSCE- Objective Structured Clinical Examination, assessing the ability to deal with common pharmacy situations, with an actor role-playing the patient.

Additions to the register

215 new pharmacist registrations were processed in the year ended 30 June 2013, a decrease of 9 (4%) on 2012.

Applications for registration in the pharmacist scope of practice as at 30 June 2013:

New Registrations	2009	2010	2011	2012	2013	Change 2012-2013
New Zealand BPharm and ITP graduates registered in the pharmacist scope of practice	205	193	170	199 ⁽¹⁾	186 ⁽²⁾	-15
Australian pharmacists registered under the Trans Tasman Mutual Recognition Agreement (TTMRA)	4	3	4	4	10	+8
Ireland, Northern Ireland and UK pharmacists registered through the Recognised Equivalent Qualifications Route (REQR)	20	20	12	8	5	-3
Canada/USA ⁽¹⁾ pharmacists registered through REQR	2	2	2	1	3	+2
Registrations from other overseas-qualified pharmacists (non-REQR)	15	7	10	12	11	-1
Total new registrations	246	225	198	224	215	-9

⁽¹⁾ Includes one reinstatement to the register

⁽²⁾ Includes two Australian BPharm graduates

Removals from the register

In the year ended 30 June 2013, 171 pharmacists were removed from the register, a decrease of 81 (32.1%) on 2012.

One intern was also removed from the register.

Removal 2012-2013	Number
Practising register	
Removed at own request s. 142	43
Revision of register s. 144(5)	21
Deceased s.143	2
<i>Sub Total</i>	66
Non-practising register	
Removed at own request s. 142	39
Revision of register s. 144(5)	66
<i>Sub Total</i>	105
Intern register	
Removed at own request s. 142	1

Annual practising certificates

An annual practising certificate provides assurance that a pharmacist has maintained their professional competence. A pharmacist practising in any of the services described in the scope of practice must have a practising certificate and demonstrate they are maintaining competence in their individual practice by participating in the approved recertification (continuing competence) programme.

When pharmacists apply each year for their practising certificates, they provide information on the type of work, total weeks worked, and average hours worked per week in the last 12 months. This information, along with other demographic data, is collated to enable a comprehensive report on the pharmacy workforce. The data makes an important contribution to health policy development, service delivery planning and research. Key information from the 2013 Workforce Report is available in the Workforce Demographics section (see page 30).

Pharmacist scope of practice applications

A total of 3,618 annual practising certificates were issued in the pharmacist scope of practice. This included 215 new registrations, 114 returns to practice, and 3,289 renewals.

A total of 55 annual practising certificates were issued with conditions as follows:

APC's issued with conditions 2012-2013	Number
Supervision (overseas qualified)	18
Supervision (return to practise >3 years)	24
Oversight (to meet recertification requirements)	2
Health	3
Competence	2
Health Practitioner Disciplinary Tribunal	4
Total	55

Intern Pharmacist scope of practice applications

A total of 256 annual practising certificates were issued in the Intern pharmacist scope of practice during the year 1 July 2012 to 30 June 2013.

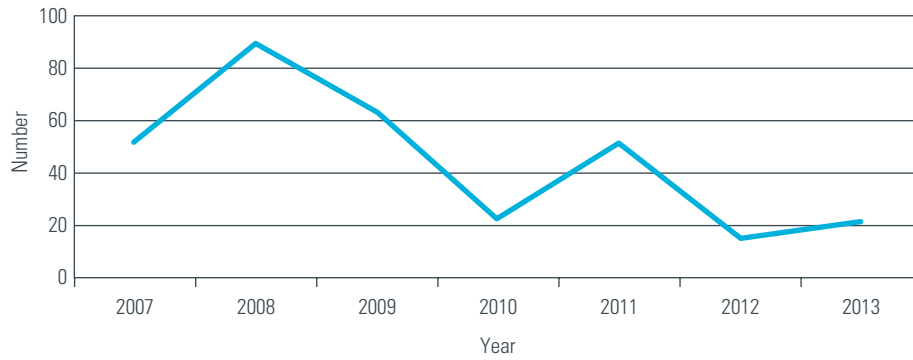
Intern Pharmacist APC's issued ¹ 2012-2013	Number
BPharm graduates from New Zealand Schools of Pharmacy	200
Graduates from Australian Schools of Pharmacy	2
Reissues	45
Overseas-qualified pharmacists	9
Total intern applications (includes reissues)	256

¹ As this is a provisional scope of practice, all intern pharmacists have a condition limiting practise within the scope to two years.

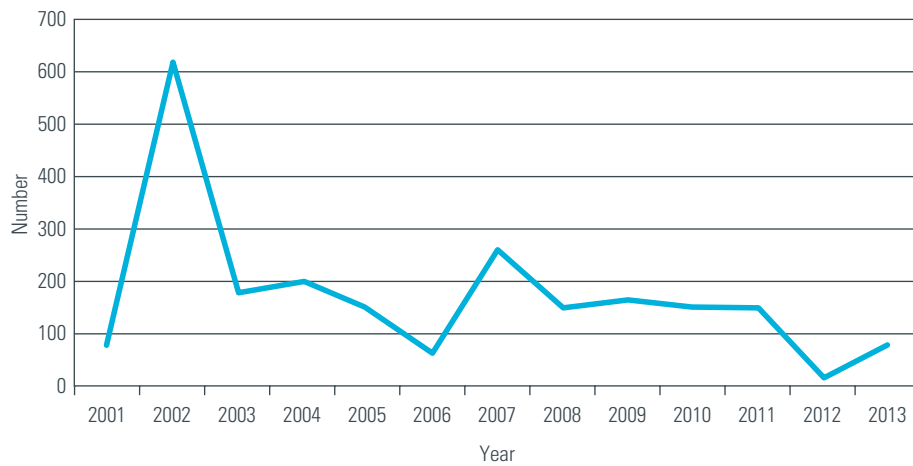
Accreditation of pharmacists for specific services

The Pharmacy Council accredits pharmacists who have completed the required training for Medicines Use Review (MUR) and Emergency Contraceptive Pill (ECP) dispensing through the NZ College of Pharmacists. At 30 June 2013, a total of 313 pharmacists with a practising certificate held MUR accreditation and 2,254 held ECP accreditation. This represents 9.3% and 67.3% of the total practising pharmacists respectively. As expected, a higher number of pharmacists were accredited in both MUR and ECP when training first became available.

MUR Accreditations 2007-2013



ECP Accreditations 2001-2013





COMPETENCE AND FITNESS TO PRACTISE

RECERTIFICATION

Recertification is a mechanism provided by the HPCAA that Council uses to ensure pharmacists maintain their competence through continuing professional development. Each year, when applying for an annual practising certificate, a pharmacist must complete a declaration to confirm their participation.

Implementation of the new continuing professional development programme

The Council has now developed a new framework, which was implemented in 2013 (see Strategic Goals page 11). From 1 April 2013, pharmacists must complete and document professional development activities as required by the new recertification framework. By March 2014 all practising pharmacists are required to be enrolled in an approved recertification programme that meets the requirements of this new framework. Audit results for next year will be published for this new programme.

Consequences of non-participation in continuing professional development

If a practising pharmacist is not participating in the continuing professional development programme, Council may place a condition on their scope of practice requiring them to work under the oversight of another pharmacist until they can demonstrate they are participating. Further non-compliance can result in conditions of working in association with another pharmacist until requirements are met. Council has declined to issue an annual practising certificate to pharmacists who persistently fail to comply with recertification requirements.

At 30 June 2013, one pharmacist had a condition of oversight endorsed on their scope of practice, under section 43 (unsatisfactory result of a recertification programme). Council declined two applications for an Annual Practising Certificate, but issued interim practising certificates to allow the pharmacists time to meet recertification requirements.

Recertification audit

Each year Council audits a random selection of pharmacists to ensure they are maintaining their competence. The audit assesses the learning completed in the previous three years and confirms participation in continuing professional development. Please note these figures relate to the previous recertification programme.

Audit results comparison	2008	2009	2010	2011	2012
Pharmacists randomly selected	150	0	100	85	98
Pharmacists targeted	0	30	0	17	2
Total pharmacists selected	150	30*	100	102	100

Submissions received	138	23	95	92	89
Non-submission	4	7	2	8	3
Exemptions	8	0	3	2	8

Failed pre-audit check	3	6	0	1	4
Sent to an auditor	(90%) 135/150	(57%) 17/30	(95%) 95/100	(89%) 91/102	(92%) 85/92

Standard of documentation poor	(2.2%) 3/135	(23.5%) 4/17	(4.2%) 4/95	(9.9%) 9/91	(10.6%) 9/85
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*The 2009 audit was a specifically selected "targeted" audit only.

THE COMPETENCE REVIEW PROCESS

The competence process is designed to assist and ensure pharmacists are competent in their practice of pharmacy through an educative and enabling process. Individual pharmacists, who come to the attention of Council as potentially practising below the required level of competence, undergo an independent review conducted by a Competence Review Team (CRT). This is not a disciplinary process, but aims to improve the pharmacist's practice and to help the pharmacist remain in the workforce. The results of the review enable Council to determine what gaps there may be in a pharmacist's practice, and direct the pharmacist to further education, assessment, counselling or mentoring.

Competence notifications

Five new competence notifications were received during the year.

- Concerns about a pharmacist's competence were referred by the Health and Disability Commissioner. Following further enquiries no action was taken by Council.
- Two notifications were received from employers under s. 34(3) of the HPCA Act.
- A Professional Conduct Committee recommended Council review a pharmacist's competence. This matter is ongoing.
- Information received from Police raised concerns about a pharmacist's competence. This pharmacist was assisted and mentored by a Council-appointed practice counsellor.

Conditions ordered under s. 38(1)(b) of the HPCA Act, imposed on the scope of practice for two pharmacists in 2011/2012, were revoked during the year.

Competence reviews

A decision to review a pharmacist's competence was made during 2012/2013 but the review is yet to be conducted.

Competence reviews are undertaken by two registered practising pharmacists (the CRT) who are clinically competent, have good interpersonal skills, and have some knowledge of performance and educational assessment relevant to the scope of practice of the pharmacist to be reviewed. They are told about the areas for review and Terms of Reference are provided. A review may include an examination of written work and files, and interviews with the pharmacist, as well as the use of commonly accepted assessment tools. It will include an on-site assessment to observe the pharmacist in his or her practice site. Reviews are usually conducted over a two day period.

Competence programmes

Competence programmes that were ordered in 2011/2012 under section 40(3) of the HPCA Act for two pharmacists are ongoing. Progress with these programmes is monitored and reported on by Council-approved practice counsellors. The counsellors visit the pharmacist in his or her workplace, usually weekly, and assist with rectifying the practice, in the areas that have been identified as not at the required standard of competence.

Competence referrals 2012-2013

Source	HPCAA Section	Number
Health Practitioner (Under RA)	34 (1)	
Health and Disability Commissioner	34 (2)	1
Employer	34 (3)	2
Other	36 (4)	2
Total		5

Outcomes of competence referrals 2012-2013

Outcomes	HPCAA Section	Number			
		Existing	New	Closed	Still active
Initial inquiries	36	2	5	2	5
No further action			1		
Notification of risk of harm to public	35				
Orders concerning competence	38			2	
Interim suspension/conditions	39				
Competence programme	40	2			2

HEALTH AND FITNESS TO PRACTISE

The Council's Health Committee aims to help pharmacists manage their health. Where possible, the Committee will assist pharmacists to keep practising. However, the Committee's objective is firstly to protect the public, and secondly to address pharmacists' health issues.

Pharmacists, like the public, are exposed to stresses and hazards, both mental and physical, which can impair their ability to practise. Early intervention of a health problem may enable the pharmacist to continue practising while receiving treatment. However, if there is an underlying or permanent illness it may be necessary to closely monitor the pharmacist's practice, or stop it altogether, to ensure public safety.

When monitoring and managing a pharmacist that has been brought to the Committee's attention, the Committee may propose one or more of the following actions:

- Require the pharmacist to be supervised
- Require the pharmacist to undergo therapy
- Carry out random urine and occasional blood testing to check for the presence of drugs or alcohol
- Require the pharmacist's own general practitioner to regularly report on the supervision or treatment of the pharmacist
- Enter into a voluntary agreement with the pharmacist
- Recommend the pharmacist attend peer support groups, such as Alcoholics Anonymous or Narcotics Anonymous
- Appoint a senior practitioner as a mentor.

During 2012-2013 two new health cases were received: a notification was received from a treating health professional and a pharmacist self-disclosed. Medical examinations were ordered for both pharmacists. Eight pharmacists continued to be monitored by the Health Committee. Four cases were closed during the year. Three pharmacists continue to practise under the requirements of voluntary agreements. One pharmacist, who had been suspended, under section 50(3) of the HPCA Act, transferred to the non-practising register. One pharmacist who was working under conditions imposed under section 50(4) of the HPCA Act, transferred to the non-practising register.

Notifications of inability to perform required functions due to mental or physical (health) condition 2012-2013

Source	HPCAA Section	Numbers			
		Existing	New	Closed	Still active
Health service	45 (1) a				
Health practitioner	45 (1) b	2	1	1	2
Employer	45 (1) c	2			2
Medical officer of health	45 (1) d				
Any person	45 (3)	2	1	1	2
Person involved with education	45 (5)	2		2	

Outcomes of health notifications 2012-2013

Outcomes	HPCAA Section	Number of practitioners
No further action		
Order medical examination	49	5
Total		5
Interim suspension	48	
Conditions	48	
Restrictions imposed	50	4



COMPLAINTS AND DISCIPLINE

The Council receives and addresses complaints about the conduct of pharmacists. Any complaints that allege that the conduct or service provided by a pharmacist has adversely affected a patient must be forwarded to the Health and Disability Commissioner.

COMPLAINTS SCREENING COMMITTEE

The Complaints Screening Committee assesses complaints referred by the Health and Disability Commissioner to Council as well as matters of concern received from other sources where a pharmacist's practice or conduct has not affected a health consumer. This Committee reviews all the information and determines what further action is required, if any.

During the year a number of cases brought to Council's attention involved selection errors. Sound-alike names for medicines and similarity of packaging continued to cause confusion. This often led to a dispensing error either where the incorrect medicine was dispensed or the incorrect dosage was selected. This highlighted the need for extra care when there is potential confusion over look-alike, sound-alike medicine names and packaging.

Most cases referred by the Health and Disability Commissioner recommended Council review the pharmacy's Standard Operating Procedures. Council received notifications that the Health and Disability Commissioner had commenced a formal investigation of two pharmacists. During the year, one case of a pharmacist's competence was referred by the Commissioner for consideration by Council. Following further enquiries, Council determined no further action would be taken.

Thirteen complaints were received from other sources that resulted in five referrals for investigation by a professional conduct committee and three referrals for consideration of a competence review.

Complaints from various sources and outcomes 2012-2013

Source	Number	Outcome			
		No further action*	Referred to Professional Conduct Committee	Referred for consideration of competence review	Referred to the Health and Disability Commissioner
Consumers	7				7
Health and Disability Commissioner**	15	14		1	
Health Practitioner (Under RA)	5	3	2		1
Other Health Practitioner	2	1	1		
Courts notice of conviction	None				
Employer	2			2	
Other (including sector organisations)	4	1	2	1	

* In most cases the Health and Disability Commissioner recommended a review of the pharmacy's Standard Operating Procedures

PROFESSIONAL CONDUCT COMMITTEES

Professional Conduct Committees are independent committees appointed by Council to investigate complaints about a pharmacist's conduct and to examine if a criminal conviction impacts on the pharmacist's fitness to practise.

Membership of these committees comprises two pharmacists and a layperson. For each investigation, Council endeavours to appoint pharmacists who reflect the practice of the pharmacist being investigated. It is Council's policy to appoint the layperson to chair the proceedings for each case. All pharmacists investigated to date have been practising in community pharmacy at various levels, including proprietor pharmacists, staff pharmacists and intern pharmacists.

Pharmacists serving on these committees are required to hold a current practising certificate, have no complaints or discipline taken against them and have no conditions imposed on their scope of practice. The investigations are conducted fairly and confidentially, and in an efficient and timely manner. Committee members remain mindful that their decisions can affect people's lives and livelihood.

There were ten professional conduct committee investigations during 2012-2013. Of these cases, five had commenced in the previous year. Eight matters were concluded, three of which resulted in charges being laid with the Health Practitioners Disciplinary Tribunal against the pharmacists.

Professional Conduct Committee cases 2012-2013

Nature of issue	Source	Number	Outcome
Concerns about standards of practice and conduct	Statutory organisation	5	3 referrals to HPDT; 1 referral competence review; 1 no further action
	Practitioner	1	Ongoing
	Non pharmacist member of staff	2	No further action
Driving offence/conviction	Practitioner	1	No further action
Conviction (Breaches of Medicines Act 1981) & Practising outside scope	Statutory organisation	1	Ongoing

Number of Professional Conduct Committee cases managed 2012-2013

Cases	Number
New PCC cases	4
Existing PCC cases	6*
Total cases managed	10
PCC finalised	8

* One existing case received in 2010/2011 on hold pending the outcome of a criminal charge

HEALTH PRACTITIONERS DISCIPLINARY TRIBUNAL (THE TRIBUNAL)

A professional conduct committee laid one new charge with the Tribunal in the 2012-2013 year. This resulted in a finding of professional misconduct.

Two charges were laid against a pharmacist in the last year. The Tribunal heard the charges in August 2012. One charge of practising without an APC (HPCA Act 100(1)(d)) was established, but the second charge of professional misconduct was dismissed.

The Tribunal made a finding against two pharmacists that their convictions for fraud reflected adversely on their fitness to practise pharmacy. The hearing of these charges took place in June 2012. The Tribunal handed down its decisions in August 2012.

An appeal against the penalty decision of the Tribunal concerning a finding of professional misconduct in 2011 resulted in the High Court upholding the decision, but dismissing an order for costs. The High Court decision was handed down in December 2012.

The full decisions of the above cases can be viewed on the Tribunal's website under decisions/pharmacists at www.hpdt.org.nz

Health Practitioner Disciplinary Tribunal (HPDT) cases 2012-2013

Cases	Number
New cases	1
Existing cases	3
Total cases managed	4
HPDT cases finalised	4
Nature of charges	
Conviction – fraud (HPCA Act 100(1)(c)) 2011/2012*	2
Practised without an APC & professional misconduct (HPCA Act 100(1)(a), 100(1)(b) & 100(1)(d)) 2011/2012	1
Professional misconduct 2011/12 (HPCA Act 100(1)(a) & 100(1)(b))	1
Outcome of hearings	
Conviction reflects adversely on practice, hearing in 2011/2012*	2
Professional misconduct & Practising without an APC – hearing & finding in 2012/2013	1
Guilty professional misconduct – hearing & finding in 2012/2013	1

*Hearings held in June 2012, written decision handed down in 2012/2013



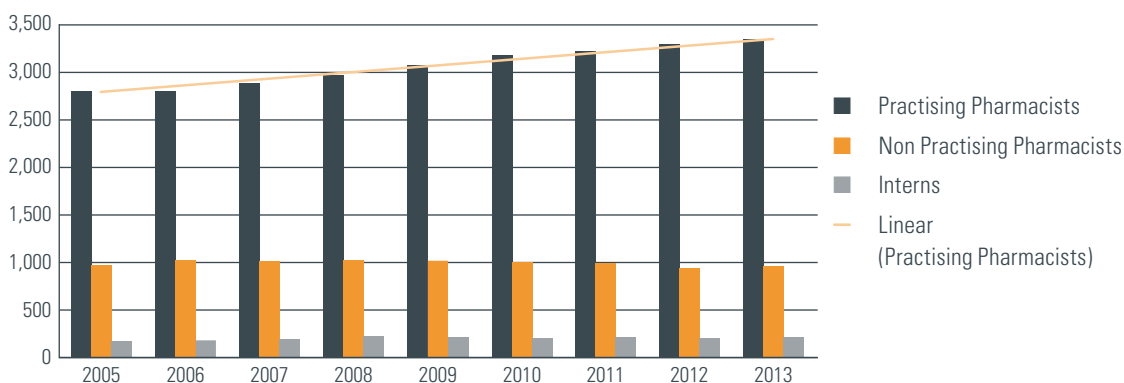
WORKFORCE DEMOGRAPHICS

REGISTER NUMBERS

As at 30 June 2013 the number of practising pharmacists was 3,351; an increase of 47 (1.4%) on 30 June 2012. The number has been increasing steadily since 2005.

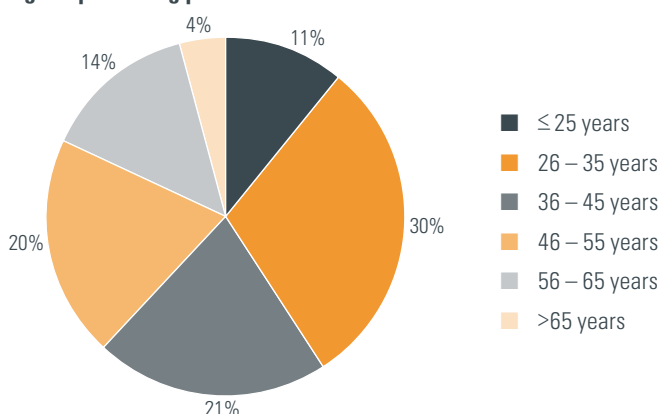
Register Numbers as at 30 June	2005	2006	2007	2008	2009	2010	2011	2012	2013
Practising Pharmacists	2,787	2,801	2,889	2,978	3,076	3,180	3,223	3,304	3,351
Non Practising Pharmacists	983	1,022	1,011	1,023	1,017	1,001	996	968	978
Interns	168	189	202	234	220	205	221	215	223
TOTAL	3,938	4,012	4,102	4,235	4,313	4,386	4,440	4,487	4,557

Register Numbers as at 30 June



Age and gender

Age of practising pharmacists as at 30 June 2013



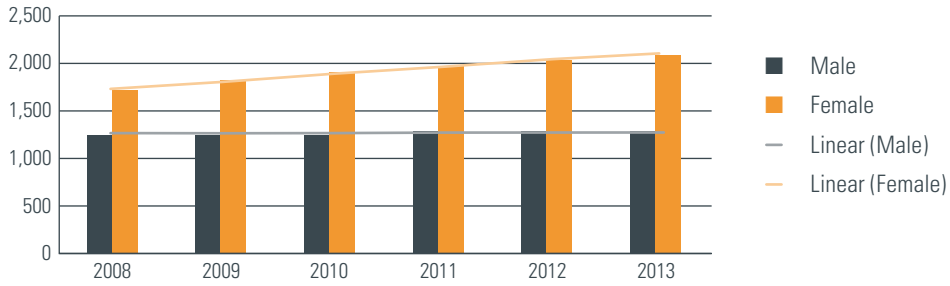
The following table shows the age distribution of practising pharmacists 2009-2013:

Age	2009	% of Total	2010	% of Total	2011	% of Total	2012	% of Total	2013	% of Total
≤25	318	10.3	387	12.2	347	10.8	343	10.4	352	10.5
26-35	737	24.0	789	24.8	867	26.9	939	28.4	993	29.6
36-45	731	23.8	722	22.7	721	22.4	710	21.5	706	21.1
46-55	709	23.0	700	22.0	691	21.4	693	21.0	687	20.5
56-65	370	12.0	396	12.5	430	13.3	470	14.2	463	13.8
>65	211	6.9	186	5.8	167	5.2	149	4.5	150	4.5
TOTAL	3,076	100.0	3,180	100.0	3,223	100.0	3,304	100.0	3,351	100.0

The following table shows the gender distribution of practising pharmacists 2009-2013:

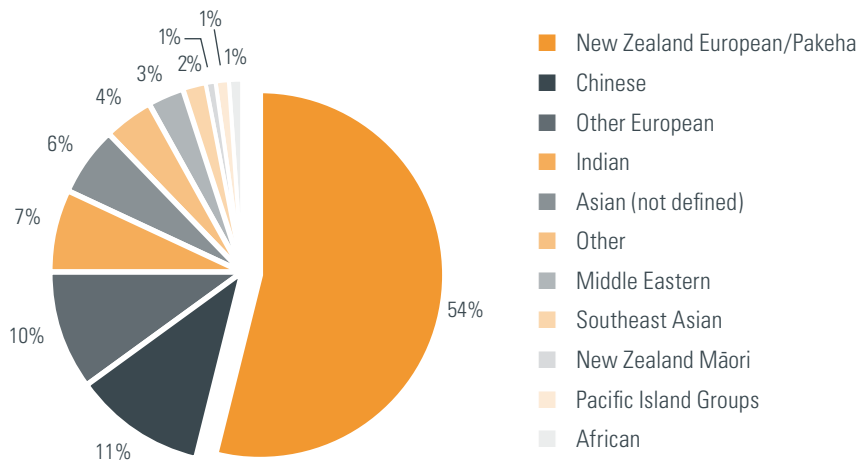
Gender	2009	% of Total	2010	% of Total	2011	% of Total	2012	% of Total	2013	% of Total
Male	1,269	41.3	1,270	39.9	1,265	39.2	1,268	38.4	1,253	37.4
Female	1,807	58.7	1,910	60.1	1,958	60.8	2,036	61.6	2,098	62.6
TOTAL	3,076	100.0	3,180	100.0	3,223	100.0	3,304	100.0	3,351	100.0

Gender of Practising Pharmacists as at 30 June 2013



Ethnicity

Ethnicity of practising pharmacists as at 30 June 2013



Ethnicity	2009	% of Total	2010	% of Total	2011	% of Total	2012	% of Total	2013	% of Total
New Zealand European/Pakeha	1,837	59.7	1,854	58.3	1,834	56.9	1,819	55.1	1,800	53.7
Chinese	282	9.2	304	9.6	315	9.8	348	10.5	384	11.5
Other European	319	10.4	328	10.3	332	10.3	347	10.5	335	10.0
Indian	179	5.8	200	6.3	213	6.6	216	6.5	224	6.7
Asian (not defined)	112	3.6	146	4.6	169	5.2	181	5.5	215	6.4
Other	168	5.5	147	4.6	142	4.4	140	4.3	131	3.9
Middle Eastern	78	2.5	89	2.8	93	2.9	102	3.1	110	3.3
Southeast Asian	27	0.9	28	0.9	34	1.1	55	1.7	62	1.9
New Zealand Māori	46	1.5	45	1.4	50	1.6	51	1.5	49	1.5
Pacific Island Groups	13	0.4	18	0.6	21	0.7	24	0.7	22	0.7
African	15	0.5	21	0.7	20	0.6	21	0.6	19	0.6
TOTAL	3,076	100.0	3,180	100.0	3,223	100.0	3,304	100.0	3,351	100.0

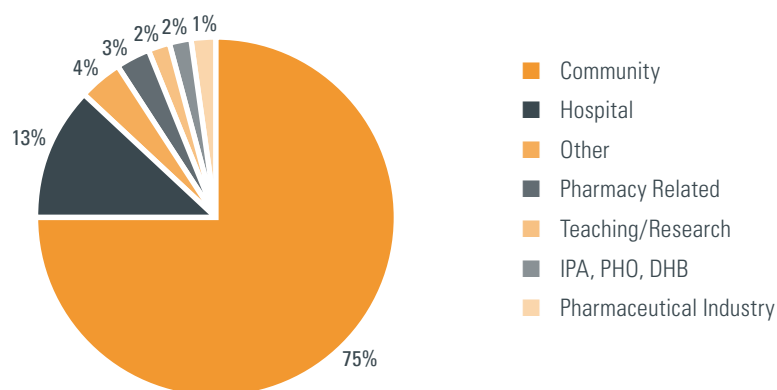
From 2009 to 2013 there has been a 2.0% decrease in the number of New Zealand European/Pakeha practising pharmacists. There has been little change in the number of New Zealand Māori practising pharmacists. Significant movements were recorded in Asian (not defined) up 92.0%, Chinese up 36.2% and Indian up 25.1%.

Type of work

3,258 pharmacists issued with an APC for the year 1 April 2013 to 31 March 2014 completed the type of work section on the APC renewal form. This represents 97% of the pharmacists on the practising register at 30 June 2013. The data collected relates to the previous APC year and has been used in this instance to provide an estimate of the number of pharmacists in the different areas of pharmacy employment.

332 of the pharmacists who completed this section of the APC renewal form worked in two or more different areas of pharmacy in the previous 12 months.

Type of Work	Number of pharmacists
Community	2,691
Hospital	451
Other	132
Pharmacy Related	102
Teaching/Research	88
IPA, PHO, DHB	72
Pharmaceutical Industry	54
	3,590
<i>No. worked in 2 or more areas of pharmacy</i>	-332
TOTAL RESPONSES	3,258



Retention rates

The following tables show register retention for practising pharmacists by registration route:

Average retention rates for New Zealand qualified pharmacists							
As at 30 June	Total pharmacists first registered in New Zealand	Number retained at 1 year	% retained at 1 year	Number retained at 3 years	% retained at 3 years	Number retained at 5 years	% retained at 5 years
2004	102	95	93	52	51	48	47
2005	148	135	91	88	59	87	59
2006	154	147	95	112	73	103	67
2007	173	154	89	131	76	115	66
2008	173	164	95	139	80	128	74
2009	202	187	93	157	78	–	–
2010	208	192	92	151	73	–	–
2011	170	153	90	–	–	–	–
2012	199	178	89	–	–	–	–
2013	187	–	–	–	–	–	–

**Average retention rates for overseas pharmacists registered through all routes
Non-REQR¹, REQR² and TTMRA³**

As at 30 June	Total pharmacists first registered overseas (all countries)	Number retained at 1 year	% retained at 1 year	Number retained at 3 years	% retained at 3 years	Number retained at 5 years	% retained at 5 years
2004	41	31	76	26	63	22	54
2005	70	53	76	31	44	29	41
2006	79	59	75	29	37	28	35
2007	65	54	83	32	49	30	46
2008	39	34	87	20	51	17	44
2009	44	39	89	27	61	–	–
2010	34	28	82	22	65	–	–
2011	28	23	82	–	–	–	–
2012	26	24	92	–	–	–	–
2013	29	–	–	–	–	–	–

1 Non-Recognised Equivalent Qualifications Route – excludes Australia, Canada, Ireland, the UK, and the USA

2 Recognised Equivalent Qualifications Route – includes Canada, Ireland, the UK, and the USA

3 Trans Tasman Mutual Recognition Agreement

Statements of registration and good standing

In the 12 months ended 30 June 2013, 112 requests for statements of good standing were processed for pharmacists registering with overseas registration boards. One request was also processed from a District Health Board. This compares with 152 requests in the previous year. The decline was driven by a fall in the number of requests from Australia, down 36 (31.6%) from the previous year.

COMMITTEES AND APPOINTMENTS

Finance Audit and Risk Management Committee (FARMC)

Mark Bedford (Chair from February 2013)

Andrew Bary

Viv Gurrey from February 2013

Jo Mickleson (Chair) until November 2012

Complaints Screening Committee (CSC)

The CSC assesses complaints referred (pursuant to section 34(1)(a) of the HDC Act from the HDC and discharges the Council's obligations pursuant to sections 65 and 68 of the HPCAA. The Committee considers the nature and circumstances of the complaint or concern and determines what, if any, action or actions are appropriate to be taken to respond to the complaint or concern. The CSC has delegated authority under section 17 of Schedule 3 of the HPCAA.

Membership

Andrew Bary, (Chair) alternate Mark Bedford

Bronwyn Clark, Chief Executive & Registrar until November 2012,

Claire Paget-Hay, Chief Executive & Registrar from November 2012 alternate Jenny Ragg, Deputy Registrar

Barbara Moore, Professional Standards Advisor

Viv Gurrey from November 2012

Health Committee

The Health Committee has delegation from Council to consider notifications made under section 45 of the HPCAA, concerning pharmacists who may be unable to perform the required functions of a pharmacist owing to some mental or physical condition. The Committee monitors and assesses pharmacists.

Membership

Keith Crump (Chair)

Bronwyn Clark, Chief Executive & Registrar until November 2012

Claire Paget-Hay, Chief Executive & Registrar from November 2012

Prof John Shaw until November 2012

Dr Te Kani Kingi

Ms Leanne Te Karu alternate Jeff Harrison from November 2012

Professional Conduct Committee (PCC)

PCC receives complaints referred from the Pharmacy Council with respect to professional conduct issues as well as notices of conviction received by the Council under section 67 of the HPCAA. Each PCC adopts and follows procedures that ensure that the pharmacist, the Pharmacy Council and the complainant are kept informed about the progress of a complaint. The PCC may receive evidence relevant to the complaint, appoint legal advisors and/or investigators as necessary and make recommendations and determinations on completion of its investigation. A PCC is established to address individual issues, and membership comprises three persons: two pharmacists and one layperson.

Pharmacist Members

Mrs Debbie Wallace
Mr Richard Young
Mr Derek Lang
Ms Nikki Anderson
Mr Muhammad Naseem (Joe) Asghar
Mr David Mitchell
Mrs Andi Shirtcliffe
Melissa Copland
Ms Katrina Azer
Mr Peter Cooke
Ms Kirsty Croucher

Mrs Pamela Duncan
Mrs Rachel Eaton
Mrs Prudence Fraser
Mr Christopher Leung
Mr John Munn
Ms Charlotte Stone
Ms Andrea Wilson

Lay Members

Dr Judith Johnston (Convenor)
Ms Karen Harvey (Convenor)

Pre-Registration Assessment Board (PRAB)

The purpose of the Preregistration Assessment Board is to monitor the assessment methodology and tools of the Intern Training Programme (ITP), and to review the evidence gathered on individual intern pharmacists. The Intern Training programme is a prescribed qualification for registration in the pharmacist scope of practice.

The PRAB has responsibility delegated from the Council to confirm whether an intern pharmacist has completed the prescribed qualifications for registering in the pharmacist scope of practice.

PRAB Board Members

** Also Members Moderation Sub-Committee*

Mr Keith Crump (Chair)
Mr Hesham Al-Sallami
Assoc Prof Janie Sheridan
Mrs Andi Shirtcliffe until December 2012
Mr Murray Adams
Ms Mary-Anne O'Rourke* (Chair of moderation sub-committee)
Mrs Anna Kurth* from August 2012
Mrs Dianne Wright*

Professional Standards Committee (PSC)

The PSC has delegation from Council to make enquiries into, and decisions whether or not to review, the competence of pharmacists. This is a function described under s. 36 of the HPCAA. This is in response to notifications made to Council that suggest that a pharmacist may pose a risk of harm to the public by practising below the required standard of competence.

Membership

Mark Bedford, (Chair) or Leanne Te Karu
Barbara Moore, Professional Standards Advisor
Owain George, Registrations Manager/Competence Advisor
Te Kani Kingi from November 2012
Robyn Nicoll until November 2012

Law and Ethics Interview Assessors

Pharmacists are required to complete supervised practice on return to practice, as well as those registering under Trans Tasman Mutual Recognition Agreement (TTMRA) from Australia or under Recognised Equivalent Qualifications Route (REQR – UK, Ireland, USA and Canada). They are assessed for their knowledge and understanding of New Zealand Pharmacy law and ethics. Council has appointed the following pharmacists to undertake these interviews on its behalf.

Membership

Ms Vicki Hollings, Northland
Ms Jenny Cade, Auckland
Ms Julie Earwaker, Auckland
Mrs Anne Davies, Hamilton
Mr Derek Lang, Rotorua
Ms Daphne Earles, Mt Maunganui
Ms Di Vicary, Hawkes Bay
Ms Catherine Keenan, New Plymouth

Mr Glen Caves, Palmerston North
Mrs Andi Shirtcliffe, Wellington
Ms Amanda Stanfield, Wellington
Mrs Debbie Wallace, Wellington
Mr Chris Budgen, Nelson
Mr Daryl Sayer, Christchurch
Ms Kate Shaw, Christchurch
Ms Patricia Napier, Dunedin
Mr Bernie McKone, Gore

Competence Review Team and Practice Counsellors

The Competence Review Team determines whether a pharmacist is practising to the required standard of competence when concerns have been raised about their competence to practise. The competence of the pharmacist being reviewed is assessed against the seven competence standards. The standards are set by the Council, and are a written description of the skills, knowledge and attitudes a pharmacist must demonstrate to be deemed competent.

A number of pharmacists have been appointed as Competence Reviewers by the Council. Some of these pharmacists have also been appointed as Practice Counsellors, who oversee and provide support to a pharmacist's practice, and monitor and report to the Council on their performance in the pharmacist scope of practice.

Health Practitioners Disciplinary Tribunal (HPDT)

Tribunal Members are appointed by the Minister of Health. Three pharmacists and one lay person are selected for each Tribunal hearing. For further details see www.hpdt.org.nz

Chair

Bruce Corkill QC

Deputy Chairs

Ms Kate Davenport
Mr David Carden

Pharmacists

Ms Maryanne Baker
Mr John Dunlop
Ms Daphne Earles
Mr Kas Govind
Ms Ellen McCrae, until March 2013
Ms Mary-Anne O'Rourke
Mr Daryl Sayer
Ms Dianne Vicary

Pharmacy Council Representation on outside bodies

Heads of Schools and Professional Organisations in Pharmacy (HOSPOP) – *Andrew Bary*

Otago University School of Pharmacy, Board of Studies – *Keith Crump*

Otago University School of Pharmacy, Admissions Committee – *Claire Paget-Hay*

University of Auckland School of Pharmacy, Board of Studies – *Marie Bennett*

Australian Pharmacy Council (APC) Council director – *Mark Bedford*

Australian Pharmacy Council Accreditation Committee – *Barbara Moore*

Australian Pharmacy Council Examining Committee – *Barbara Moore*

Health Regulatory Authorities of New Zealand (HRANZ) – *Andrew Bary*

Pharmacy Industry Training Organisation (PITO) – *Barbara Moore*

Bpac nz Clinical Advisory Group – *Barbara Moore*

Community Pharmacy Services – Quality & Assurance Work Group – *Barbara Moore*



FINANCIAL OVERVIEW 2013

The Council is pleased to report an operating surplus of \$34,330 for the year ended 30 June 2013. This is a positive result compared to budget and has slightly improved the Council's Accumulated Funds to \$767,116.

While fee revenue has remained relatively unchanged over the past few years, operating costs have increased. In addition to increasing costs, Council has also committed financial resources and staff time towards the development of a single shared secretariat.

Following the positive operating result, Council reviewed its financial projections and agreed to delay the planned consultation on the Annual Practising Fee (APC) increase for 12 months. The possibility of a fee increase was signalled in the 2012 Annual Report, when Council reported an operating deficit for the third consecutive year.

The Council has carefully managed pharmacist funds over the past eight years and apart from a 2.5% GST increase in 2010, APC fees have remained at the same level since 2006. For the APC year commencing 1 April 2014, the fee will remain unchanged at \$506.00 (GST inclusive). Council will continue to monitor financial projections and pharmacists will be consulted if an APC fee is considered necessary in the future.

Accumulated Funds

The Council's Accumulated Funds are separated into a General Fund and a Disciplinary Fund. The separate funds provide greater transparency to stakeholders and the net movement in each Fund is shown in Note 12 of the financial statements.

The most recent budget projections indicate the Council will continue to operate at a deficit for the next three years. Delaying the APC fee increase for 12 months recognises the positive result against budget in the 30 June 2013 year.

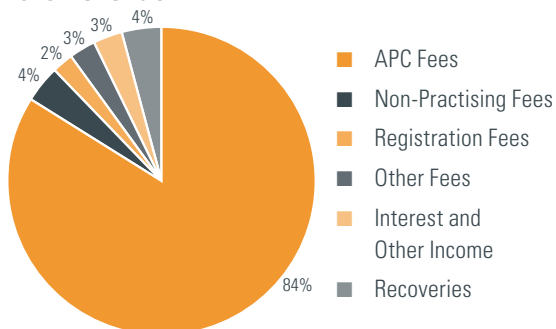
APC Fees

APC Fees are received from interns and pharmacists, and represent 84% of Total Revenue. The APC consists of an operational fee and a disciplinary levy. Operational movements are recorded in the General Fund and disciplinary movements are recorded in the Disciplinary Fund.

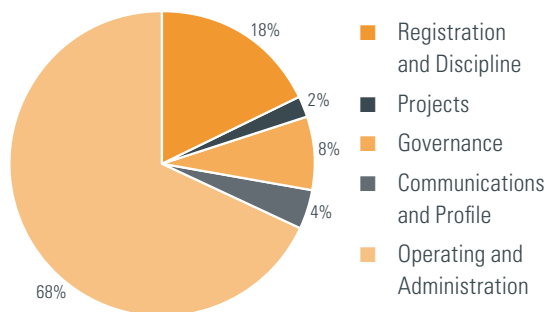
Disciplinary Levy

The Disciplinary Levy is charged to fund the costs of Professional Conduct Committees and Health Practitioners Disciplinary Tribunal hearings. The Disciplinary Levy is currently set at \$71.87 (GST inclusive) and represents 14% of the total APC Fee. Increases to the Disciplinary Levy may be necessary in the future if the cost of disciplinary cases exceed disciplinary revenue.

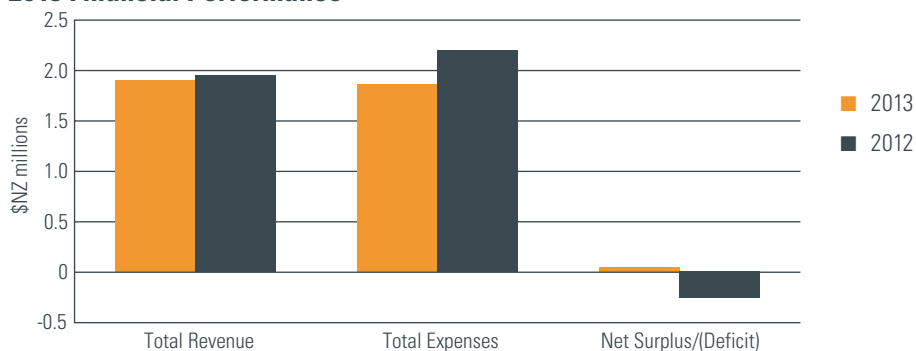
2013 Revenue



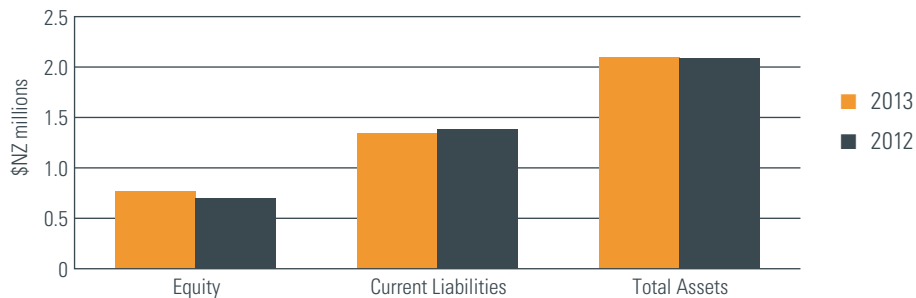
2013 Expenditure



2013 Financial Performance



2013 Financial Position



INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF PHARMACY COUNCIL OF NEW ZEALAND'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

The Auditor-General is the auditor of the Pharmacy Council of New Zealand (the Council). The Auditor-General has appointed me, Robert Elms, using the staff and resources of Staples Rodway Wellington, to carry out the audit of the financial statements of the Council on her behalf.

We have audited the financial statements of the Council on pages 44 to 52, that comprise the statement of financial position as at 30 June 2013, the statement of financial performance, statement of movements in equity, and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information.

Opinion

In our opinion the financial statements of the Council on pages 44 to 52:

- comply with generally accepted accounting practice in New Zealand; and
- fairly reflect the Council's:
- financial position as at 30 June 2013; and
- financial performance and cash flows for the year ended on that date.

Uncertainty about the delivery of office functions in future

Without modifying our opinion, we draw your attention to the disclosure in note 17 on page 52 regarding a proposal for combining the secretariat and office functions of the Council with other health-related regulatory authorities. We considered the disclosure to be adequate.

Our audit was completed on 25 September 2013. This is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Council and our responsibilities, and we explain our independence.

Basis of opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that, in our judgement, are likely to influence readers' overall understanding of the financial statements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation of the Council's financial statements that fairly reflect the matters to which they relate. We consider internal control in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Council;
- the adequacy of all disclosures in the financial statements; and
- the overall presentation of the financial statements.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements. Also we did not evaluate the security and controls over the electronic publication of the financial statements.

We have obtained all the information and explanations we have required and we believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Responsibilities of the Council

The Council is responsible for preparing financial statements that:

- comply with generally accepted accounting practice in New Zealand; and
- fairly reflect the Council's financial position, financial performance and cash flows.

The Council is also responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Council is also responsible for the publication of the financial statements, whether in printed or electronic form.

The Council's responsibilities arise from the Health Practitioners Competence Assurance Act 2003.

Responsibilities of the Auditor

We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you based on our audit. Our responsibility arises from section 15 of the Public Audit Act 2001 and section 134(1) of the Health Practitioners Competence Assurance Act 2003.

Independence

When carrying out the audit, we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the External Reporting Board.

Other than the audit, we have no relationship with or interests in the Council.



Robert Elms
Staples Rodway Wellington
On behalf of the Auditor-General
Wellington, New Zealand

Matters Relating to the Electronic Presentation of the Audited Financial Statements

This audit report relates to the financial statements of the Pharmacy Council of New Zealand (the Council) for the year ended 30 June 2013 included on the Council's website. The Council is responsible for the maintenance and integrity of the Council's website. We have not been engaged to report on the integrity of the Council's website. We accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

The audit report refers only to the financial statements named above. It does not provide an opinion on any other information which may have been hyperlinked to or from the financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication, they should refer to the hard copy of the audited financial statements, as well as the related independent auditor's report, to confirm the information included in the audited financial statements presented on this website.

Legislation in New Zealand governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2013

Revenue	Note	2013 \$	2012 \$
Annual Practising Certificate Fees	1	1,588,534	1,559,840
Non-Practising Fees		77,984	77,126
Registration Fees		44,945	43,298
Other Fees	2	57,142	66,246
Interest and Other Income		61,860	66,410
Life Long Learning Conference in Pharmacy		–	60,762
Discipline Recoveries		66,675	76,372
Bad Debt Recoveries		1,350	6,000
Total Revenue		1,898,490	1,956,054
Expenditure			
Registration & Discipline	3	341,652	423,641
Projects		41,749	68,570
Governance	4	155,100	135,248
Communications & Profile		66,973	192,212
Life Long Learning Conference in Pharmacy		–	60,384
Operating & Administration	5	1,258,686	1,327,574
Total Expenditure		1,864,160	2,207,629
Net surplus/(deficit) for the period		34,330	(251,575)

STATEMENT OF MOVEMENTS IN EQUITY FOR THE YEAR ENDED 30 JUNE 2013

	2013 \$	2012 \$
Equity at the beginning of the year	732,786	984,361
Net surplus/(deficit) for the period	34,330	(251,575)
Equity at the end of year	767,116	732,786

These financial statements should be read in conjunction with the attached accounting policies and notes to the accounts.

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2013

	Note	2013 \$	2012 \$
Current Assets			
Cash & Cash Equivalents	6	1,183,640	1,497,152
Term Deposits	7	850,000	500,000
Accounts Receivable	8	388	15,107
Other Receivables & Prepayments		51,483	54,104
Total Current Assets		2,085,511	2,066,363
Non-Current Assets			
Fixed Assets	9	21,466	30,344
Intangible Assets	10	2,008	8,309
Total Non-Current Assets		23,474	38,653
TOTAL ASSETS		2,108,985	2,105,016

Current Liabilities			
Accounts Payable		42,510	51,232
Other Payables & Accruals		56,535	93,110
Employee Entitlements		45,925	50,201
Income Received in Advance	11	1,196,899	1,177,687
Total Current Liabilities		1,341,869	1,372,230
Accumulated Equity	12	767,116	732,786
TOTAL LIABILITIES AND EQUITY		2,108,985	2,105,016



Dr Andrew Bary
Chair of Council



Claire Paget-Hay
Chief Executive & Registrar

Date: 25 September 2013

These financial statements should be read in conjunction with the attached accounting policies and notes to the accounts.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2013

Cash flows from operating activities	Note	2013 \$	2012 \$
Cash was provided from:			
Statutory fees and levies		1,792,842	1,771,303
Discipline Cost Recoveries		45,500	21,300
Interest & Other Revenue		69,407	84,799
Cash was disbursed to:			
Suppliers and employees		(1,859,175)	(2,030,972)
Other expenditure		–	(14,350)
Net cash inflow from operating activities	13	48,574	(167,920)
Cash flows from investing activities			
Cash was provided from:			
Term Deposit		–	400,000
Cash was disbursed to:			
Purchase of Fixed Assets		(12,086)	(5,163)
Term Deposit		(350,000)	–
Net cash inflow/ (outflow) from investing activities		(362,086)	394,837
Net increase/(decrease) in cash held		(313,512)	226,917
Add opening cash and cash equivalents		1,497,152	1,270,235
Closing cash and bank balances		1,183,640	1,497,152
Represented by:			
Cash and cash equivalents	6	1,183,640	1,497,152

These financial statements should be read in conjunction with the attached accounting policies and notes to the accounts.

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 30 JUNE 2013

REPORTING ENTITY

The Pharmacy Council of New Zealand (the "Pharmacy Council") was established under the HPCA Act 2003 on 18 December 2003 and commenced operations on 18 September 2004.

The Pharmacy Council of New Zealand (Pharmacy Council) is a statutory body and has a duty to protect the public and promote good pharmacist practice. The Pharmacy Council is responsible for the registration of pharmacists, the setting of standards for pharmacists, accreditation of education programmes and ensuring pharmacists are competent to practise.

BASIS OF PREPARATION

These financial statements are a General Purpose Financial Report as defined in the Statement of Concepts of the New Zealand Institute of Chartered Accountants. The financial statements are prepared in accordance with generally accepted accounting practice in New Zealand as defined in that Statement.

DIFFERENTIAL REPORTING

The Pharmacy Council qualifies for Differential Reporting exemptions as it has no public accountability and is small as defined by the Framework for Differential Reporting. All available differential reporting exemptions allowed under the Framework for Differential Reporting have been adopted except for FRS-10 Statement of Cash Flows, as a statement of cash flows has been disclosed.

The XRB Board and the NZASB have issued new standards that will apply to public sector public benefit entities from the 2014/15 financial year. The new standards and pronouncements are effective for reporting periods beginning on or after 1 July 2014. The Standards require comparative information for the previous financial year, which for most public sector entities will be the year beginning 1 July 2013.

MEASUREMENT BASIS

The accounting principles recognised as appropriate for the measurement and reporting of financial performance and financial position on a historical cost basis are followed by the Pharmacy Council.

SPECIFIC ACCOUNTING POLICIES

The following specific accounting policies that materially affect the measurement and reporting of financial performance and financial position have been applied:

- **Fixed Assets**

Fixed assets are recorded at cost and depreciated on a straight line basis over the estimated useful lives of the assets. Subsequent expenditure that extends or increases the asset's service potential is capitalised. Depreciation rates are:

Leasehold Improvements	10 years
Furniture & Fittings	10 years
Office Equipment	5 years
Computer Equipment	3 years

During the year, the Council relocated to FX House on The Terrace. Leasehold Improvements and Furniture & Fittings, no longer in existence, were written off and removed from the financial statements.

- **Intangible Assets**

Intangible assets are recorded at cost and amortised over the estimated useful lives of the assets. Amortisation rates are:

Website	3 years
Computer Software	3 years

- **Goods & Services Tax (GST)**

The financial statements have been prepared on a GST exclusive basis with the exception of Accounts Receivables and Accounts Payables, which are stated inclusive of GST, if any.

- **Receivables**

Receivables are recorded at estimated net realisable value after due provision for doubtful debts.

- **Disciplinary Recoveries**

Discipline Recoveries represents fines and costs awarded to the Pharmacy Council by the Health Practitioners Disciplinary Tribunal (HPDT). The amount awarded represents a percentage or a portion of the Professional Conduct Committees (PCC) and the HPDT costs.

Disciplinary recoveries are recorded as receivables at the amount awarded by the HPDT. Payment is due by the 20th of the following month and a time extension may be permitted in special circumstances.

If the debt is considered unrecoverable, the amount will be written off as a Bad Debts expense. Any amounts recovered subsequent to write-off will be recorded as Bad Debts Recovered in the Statement of Financial Performance.

- **Taxation**

The Pharmacy Council is exempt from income tax. The Council was registered as a charitable entity under the Charities Act 2005 on 30 June 2008 to maintain its tax exemption status.

- **Revenue Recognition**

The Pharmacy Council's annual practising year for pharmacists is from 1 April to 31 March. Only those fees and levies that are attributable to the current financial year are recognised in the Statement of Financial Performance. Revenue is deferred in respect of the portion of the annual practicing fee that has been paid in advance.

- **Operating Leases**

Payments made under operating leases are recognised in the Statement of Financial Performance.

- **Statement of Cash Flows**

The following are the definitions used in the Statement of Cash Flows:

- cash is considered to be cash on hand, current accounts.
- operating activities include all transactions and other events that are not investing or financing activities.
- investing activities are those activities relating to the purchase of fixed assets, loan repayment and term deposits.
- financing activities are those activities which includes both equity and debt not falling within the definition of cash.

- **Changes in Accounting Policies**

There have been no changes in accounting policies during the period.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

(1) Annual Practising Certificate (APC) Fees

Represents APC Fees received from interns and pharmacists for the year. This fee includes an administrative component and a disciplinary levy.

	2013 \$	2012 \$
(2) Other Fees		
Overseas Pharmacist Fees	43,640	52,393
Other Fees	13,502	13,853
	57,142	66,246
(3) Registration and Discipline		
Registration	79,788	116,286
Discipline	238,271	271,045
Competence & Health	23,593	36,310
	341,652	423,641
(4) Governance		
Councillors Fees*	95,935	82,825
Councillors Expenses	59,165	52,423
	155,100	135,248
*Fees paid to Councillors:		
A Bary	47,935	37,145
C Oakley Brown	–	4,850
J Harrison	3,840	–
J Mickleson	2,400	7,440
J Shaw	2,400	5,400
K Crump	6,240	5,400
L Te Karu	6,210	4,650
M Bedford	9,540	8,340
M Bennett	3,780	–
R Nicoll	2,400	4,200
T Kani Kingi	6,630	5,400
V Gurrey	4,560	–
	95,935	82,825
(5) Operating & Administration		
Amortisation costs	6,301	14,445
Audit fees	9,590	8,445
Bad Debts	32,218	64,078
Depreciation	11,335	35,970
Eftpos fees	24,566	23,836
Information Technology costs	41,909	26,436
Insurance	19,339	21,067
Legal costs	18,027	7,471
Loss on disposal of assets	9,628	–
Premises & Occupancy costs	105,644	100,551
Operating leases	17,021	21,954
Sundry costs	26,530	27,589
Personnel costs	909,228	945,122
Printing & Stationery	5,397	9,368
Postage & Courier	8,918	9,041
Telecommunications	13,035	12,201
	1,258,686	1,327,574

	2013	2012
	\$	\$
(6) Cash & Cash Equivalents		
Petty Cash	200	200
ANZ – Cheque Account	27,261	26,429
ANZ – Call Account	56,179	170,523
ANZ – Term Deposits	1,100,000	1,300,000
	1,183,640	1,497,152
(7) Term Deposits		
Kiwi bank – Term Deposit	500,000	500,000
ANZ – Term Deposits	350,000	–
	850,000	500,000
(8) Accounts Receivable		
Accounts Receivable	10,081	15,107
Less: provision for Doubtful debts	(9,693)	–
	388	15,107

(9) Fixed Assets

	Cost 30 June 2012	Accum. Depn 30 June 2012	Book Value 30 June 2012	Cost 30 June 2013	Fixed Assets Written Off	Accum. Depn 30 June 2013	Book Value 30 June 2013
	\$	\$	\$	\$	\$	\$	\$
Leasehold Improvements	70,700	70,111	589	70,700	70,700	–	–
Computer Equipment	65,747	63,625	2,122	77,130	–	68,045	9,085
Furniture & Fittings	75,809	49,140	26,669	75,809	18,276	46,246	11,287
Office Equipment	10,382	9,418	964	11,084	1,767	8,223	1,094
TOTAL	222,638	192,294	30,344	234,723	90,743	122,514	21,466

	2013	2012
	\$	\$
(10) Intangible Assets		
(i) Website		
Cost		
Opening balance	44,643	43,143
Additions during the year	0	1,500
Closing balance	44,643	44,643
Accumulated Amortisation		
Opening balance	42,643	37,472
Amortisation for the year	1,333	5,171
Closing balance	43,976	42,643
Book Value	667	2,000
(ii) Computer Software		
Cost		
Opening balance	29,153	27,953
Additions during the year	–	1,200
Closing balance	29,153	29,153
Accumulated Amortisation		
Opening balance	22,844	13,571
Amortisation for the year	4,968	9,273
Closing balance	27,812	22,844
Book Value	1,341	6,309
Total Book Value	2,008	8,309

	2013	2012
	\$	\$
(11) Income Received in Advance		
Represents APC fees and levies relating to the 2013/2014 year (2012: 2012/2013 year).		
(12) Accumulated Equity		
The Council's accumulated equity was separated into a General Fund and a Disciplinary Fund during the 2010/2011 year. This was done in response to an increase in disciplinary costs and also to provide greater transparency to stakeholders.		
General Fund		
Opening balance	414,710	632,057
Movements during the year	50,019	(217,347)
Closing balance	464,730	414,710
Disciplinary Fund		
Opening balance	318,076	352,304
Movements during the year	(15,690)	(34,228)
Closing balance	302,386	318,076
Total Accumulated Equity	767,116	732,786
(13) Operating cash flows reconciliation		
Net operating surplus/ (deficit) for the period	34,330	(251,575)
Add/(Deduct) non-cash items:		
Depreciation & Amortisation	17,636	50,415
Loss on Fixed Assets Written Off	9,628	-
Add/(Deduct) working capital items:		
Accounts Receivable	14,719	6,208
Other Receivables & Prepayments	1,814	33,301
Accounts Payable	(8,721)	626
PAYE/Withholding Tax	(11,493)	8,184
Other Payables & Accruals	(25,081)	16,080
Employee Entitlements	(4,276)	(39,496)
Income Received in Advance	19,212	3,753
GST Receivable	806	4,584
Net Cash inflow/(outflow) from operating activities	48,574	(167,920)
(14) Non Cancellable Operating Lease Commitments		
Not more than one year	44,312	24,643
One to two years	-	9,468
Three to five years	-	-
	44,312	34,111
Subsequent to balance date, the Council entered into an operating lease agreement for \$17,000 to upgrade the Council's server.		
(15) Capital Commitments		
There were no capital commitments at balance date. (2012: \$Nil)		
(16) Contingent Assets and Contingent Liabilities		
There were no contingent assets at balance date. (2012: \$Nil)		
There were no contingent liabilities at balance date. (2012: \$Nil)		

(17) Uncertainty about the delivery of office functions in the future

In February 2011, Health Workforce New Zealand (HWNZ), on behalf of the Minister of Health (the Minister), issued a consultation document proposing a single shared secretariat and office function for all 16 health regulatory authorities.

In late 2012 HWNZ funded a detailed business case for the establishment of a shared secretariat organisation. This is being considered by each of the 16 health regulatory authorities.

The proposals, if they proceed, are likely to have a significant effect on the Council. Until a decision is made, there is uncertainty about the form in which our office functions will be delivered in the future.

(18) Related Parties

Council members are paid fees for attending to Council, as disclosed in Note 4. In addition, some Council members are paid fees for work in connection with various sub committees and working groups. Certain Council members are also practising pharmacists and deal with the Pharmacy Council of NZ on the same basis as other pharmacists. There were no other related party transactions.

(19) Events after Balance Date

No events occurred subsequent to balance date. (2012: \$Nil)

COUNCIL STAFF

Chief Executive and Registrar

Bronwyn Clark MCLinPharm, FPS, RegPharmNZ (resigned October 2012)

Claire Paget-Hay Sec Teachers' Diploma, Dip HR Management (appointed December 2012)

Manages the overall regulatory functions of the Council and is responsible for the general management of the organisation.

Executive Assistant to Chief Executive and Registrar

Trudi Thomas-Morton

Provides support to the Chief Executive and Registrar, the Council and general office.

Deputy Registrar

Jenny Ragg

Receives information from health practitioners, employers and the HDC relating to the competence of health practitioners.

Manages procedures for complaints, fitness to practise and notifications.

Registrations Manager

Owain George BPharm, PhD, MPS, RegPharmNZ

Manages the registrations team and is responsible for all registration procedures and maintenance of the register. Provides policy and procedures advice for ensuring the competence of pharmacists (including competence review and recertification).

Registrations Officer

David Priest

Processes applications from overseas-qualified pharmacists seeking registration in New Zealand and New Zealand-qualified pharmacists returning to practise.

Registrations Officer

Sue Thompson

Processes applications for intern registrations and intern transfers to the pharmacist scope of practice. Provides administrative support for the recertification process.

Education Advisor

Sue Walbran, PhD (resigned January 2013)

Responsible for the prescription of qualifications and scopes of practice within the pharmacy profession.

Professional Standards Advisor

Barbara Moore, Dip Pharm, Dip Bus Stud, MPS RegPharmNZ

Responsible for setting, reviewing and monitoring standards for pharmacy practice.

Finance Manager

Mary Yee CA

Manages the finance team and is responsible for the overall financial and accounting policies and procedures.

Assistant Accountant

Diana Harding

Processes day-to-day accounting tasks and provides general accounting support to the Finance Manager.

Accounts and Registrations Assistant

Maree Dawson

Processes accounts payable and receivable, processes payroll and provides general accounts and registration assistance.

GENERAL CONTACT DETAILS

Physical address:

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Wellington 6011

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Wellington 6146

Solicitors

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PO Box 10246
Wellington 6143

Claro Law
PO Box 1145
Wellington 6142

Bankers

ANZ Banking Group (New Zealand) Ltd
215 – 229 Lambton Quay
Wellington 6011

Auditors

Staples Rodway, Wellington
PO Box 1208
Wellington 6140



Te Pou Whakamana Kaimatu o Aotearoa